



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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DA 97-2497

November 25, 1997

FCC Announces Spectrum Auction Schedule for 1998

This Public Notice apprises potential applicants of important dates for several auctions that will be conducted in 1998. The dates listed below may be subject to change. A brief summary of the wireless services to be auctioned is provided below. More detailed information concerning each of these auctions has been provided or will be provided at a later date. The wireless services to be auctioned are:

Local Multipoint Distribution Service ("LMDS"): This auction will consist of 986 LMDS licenses in the 28 GHz and 31 GHz bands. Two licenses will be offered in each of 493 Basic Trading Areas ("BTAs") and BTA-like areas in the United States. One license, in frequency block A, will authorize service on 1,150 megahertz of spectrum in both the 28 GHz and 31 GHz bands.¹ The second license, in frequency block B, will authorize service on 150 megahertz of spectrum in the 31 GHz band. Each frequency block encompasses the following spectrum:

Block A (1,150 megahertz): 28 GHz band: 27,500 - 28,350 MHz and 29,100 - 29,250 MHz² and 31 GHz band: 31,075 - 31,225 MHz.

Block B (150 megahertz): 31 GHz band: 31,000 - 31,075 and 31,225 - 31,300 MHz.

¹ Block A of the New York BTA is encumbered by a pre-existing licensee in the New York Metropolitan Statistical Area. The incumbent licensee, CellularVision of New York, is entitled to interference protection.

² Operations to take place in the 29,100 - 29,250 MHz band are governed by 47 C.F.R. §§ 101.103(g) and (h), 101.113(c), 101.133(d), and 101.147(t), which are new provisions designed to facilitate the sharing of this spectrum by LMDS, GSO/FSS gateways, and MSS feeder link licenses. These provisions allow only hub-to-subscriber transmissions by LMDS licensees in this band.

Key Dates:

Short form (FCC Form 175) Application Deadline:	January 20, 1998
Upfront Payment Deadline:	February 2, 1998
Electronic Bid Submission Software Order Deadline:	February 2, 1998
Mock Auction Date:	February 13, 1998
Auction Commencement Date:	February 18, 1998

Further details on this spectrum may be found in the *LMDS First Report and Order*, CC Docket No. 92-297, 11 FCC Rcd 19005 (1996); *LMDS Second Report and Order*, CC Docket No. 92-297, FCC 97-82, 62 Fed. Reg. 16514 and 23148 (rel. March 13, 1997) (recon. pending); *LMDS Order on Reconsideration*, CC Docket No. 92-297, FCC 97-166, 62 Fed. Reg. 28373 (rel. May 16, 1997); *LMDS Second Order on Reconsideration*, CC Docket No. 92-297, FCC 97-323, 62 Fed. Reg. 48787 (rel. September 12, 1997); *Public Notice*, "Auction of Local Multipoint Distribution Service," DA 97-2081, 62 Fed. Reg. 53629 (rel. September 25, 1997); *Public Notice*, "Comment Sought on Reserve Prices or Minimum Opening Bids for LMDS Auction," DA 97-2224, 62 Fed. Reg. 55642 (rel. October 17, 1997); *Public Notice*, "LMDS Auction Postponed Until February 18, 1998," DA 97-2352, (rel. November 10, 1997); *Public Notice*, "Opportunity for Reply Comment on Reserve Prices or Minimum Opening Bids for LMDS Auction Extended," DA 97-2420 (rel. November 18, 1997); and the LMDS auction Bidder Information Package.

220 MHz Service: This auction will consist of 908 licenses in the Phase II 220 MHz service, with three nationwide, 30 Regional Economic Area Groupings ("220 MHz REAGs") and 875 Economic Area ("EA") licenses. The licenses encompass the following channels:

<u>Nationwide Block</u>	<u>Channels</u>
Channels 51-60	10
Channels 81-90	10
Channels 141-150	10

<u>EA Block</u>	<u>Channels</u>
A: Channel Groups ³ 2, 13	10
B: Channel Groups 3, 16	10
C: Channel Groups 5, 18	10
D: Channel Groups 8, 19	10
E: Channel Groups 171-180	10

³ The Channel Groups indicated in the allocation plan are the 5-channel, non-contiguous assignments identified as "Group Nos. 1,2,3" etc., in Section 90.721 of the Commission's Rules, 47 C.F.R. § 90.721.

<u>220 MHz REAG Block</u>	<u>Channels</u>
F: Channel Groups 1, 6, 11	15
G: Channel Groups 4, 9, 14	15
H: Channel Groups 7, 12, 17	15
I: Channel Groups 10, 15, 20	15
J: Channel Groups 186-200	15

Key Dates:

Short form (FCC Form 175) Application Deadline:	April 20, 1998
Upfront Payment Deadline:	May 4, 1998
Auction Commencement Date:	May 19, 1998

Further details on this spectrum may be found in the *220 MHz Second Report and Order*, PR Docket No. 89-552, GN Docket No. 93-252, FCC 96-27, 11 FCC Rcd 3668 (1996) (recon. pending); and *220 MHz Third Report and Order and Fifth Notice of Proposed Rulemaking*, PR Docket No. 89-552, RM-8506, GN Docket No. 93-252, PP Docket No. 93-253, FCC 97-57, 62 Fed. Reg. 16004 (rel. March 12, 1997) (recon. pending). Public notices and a bidder information package will provide upfront payment information and specific terms and conditions concerning the auction.

The FCC services also tentatively plans to conduct spectrum auctions for the following services:

<u>Broadband Personal Communications Services ("PCS")</u>	
<u>C Block Re-auction</u>	3rd Quarter, 1998
<u>39 GHz</u>	3rd Quarter, 1998
<u>Paging (929 - 931 MHz band)</u>	3rd Quarter, 1998
<u>800 MHz Specialized Mobile Radio ("SMR")</u>	
<u>(Lower 80 and General Category Channels)</u>	3rd Quarter, 1998
<u>Location Monitoring Services ("LMS")</u>	3rd Quarter, 1998
<u>Public Coast Stations</u>	4th Quarter, 1998
<u>Pending Analog Broadcast Licenses for</u>	
<u>Commercial Radio and Television Stations</u>	4th Quarter, 1998

FCC Auctions Telephone Number and Internet Site: All interested parties should contact the FCC National Call Center at 888-CALL-FCC (888-225-5322), Option #2, to request to be put on the mailing list for bidder information packages for the auction or auctions in which they are interested in participating. By doing so, potential applicants ensure that they will receive a bidder information package detailing the specific terms and conditions of the auction. This is the only telephone number to contact to be placed on a mailing list for upcoming auctions.

In order to keep apprised of the FCC's auction schedule (which is subject to change),

reports and orders, public notices, and all other relevant auction-related documents, the FCC strongly advises that all interested parties regularly visit its Internet web site. The World Wide Web ("www") URL address for the Auctions Home Page is:

<http://www.fcc.gov/wtb/auctions.html>

Bidder Alerts:

- **The Commission does not approve any individual investment proposal, nor does it provide a warranty with respect to any license being auctioned. Potential applicants and investors are reminded that winning a license in an FCC spectrum auction is not a guarantee of success in the marketplace.**
- **The FCC makes no representations or warranties about the use of spectrum for particular services. Applicants should be aware that an FCC auction represents an opportunity to become an FCC licensee, subject to certain conditions and regulations. An FCC auction does not constitute an endorsement by the FCC of any particular services, technologies, or products, nor does an FCC license constitute a guarantee of business success. Applicants should perform their individual due diligence before proceeding, as they would with any new business venture.**
- **The Federal Trade Commission (FTC) has found that some unscrupulous individuals have designed investment schemes around licenses auctioned or to be auctioned by the FCC. Investors or potential investors with inquiries or complaints about specific investment offerings may call the National Fraud Information Center, 1-800-876-7060, or visit that organization's Internet web site at www.fraud.org. They may also may contact their state attorney general or state corporations office. The FTC and the Securities and Exchange Commission (SEC) receive complaints on investment fraud and offer consumer education materials. Investors or potential investors may contact the FTC at (202) 326-3128 or visit its Internet web site at www.ftc.gov, and may contact the SEC at (202) 942-7040 or visit its Internet web site at www.sec.gov.**
- **Potential applicants should also be aware that several pending rulemaking proceedings are considering changes to many of the Commission's auctions rules, including whether to continue to permit small businesses to pay for licenses won in installment payments.⁴ Changes are also being considered with respect to the**

⁴ See Amendment of Part 1 of the Commission's Rules -- Competitive Bidding Proceeding, WT Docket No. 97-82, *Order, Memorandum Opinion and Order and Notice of Proposed Rule Making*, 12 FCC Rcd 5686 (1997); Amendment of Part 90 of the Commission's Rules to Provide for the Use of the 220-222 MHz Band By the Private Land Mobile Radio Service, PR Docket No. 89-552, *Third Report and Order and Fifth Notice of Proposed Rulemaking*, 62 Fed. Reg. 16004, FCC 97-57 (rel. March 12, 1997) (recon. pending); Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems, WT Docket No. 96-18, *Second Report and Order and Further Notice of Proposed Rulemaking*, 12 FCC Rcd 2732

attribution of gross revenues of investors in and affiliates of small businesses,⁵ and have been adopted with respect to foreign ownership of U.S. telecommunications facilities.⁶ Finally, potential applicants should be aware that when FCC licenses are subject to auction (*i.e.*, because they are mutually exclusive) the recently enacted Balanced Budget Act of 1997 calls upon the Commission to prescribe methods by which a reasonable reserve price will be required or a minimum opening bid established, unless the Commission determines that a reserve price or minimum bid is not in the public interest.⁷ The Commission is presently considering the use of minimum opening bids in the LMDS auction,⁸ and will comply with the requirements of the Balanced Budget Act with respect to the other auctions listed herein.

For further information contact LaVonia Connelly, Ruby Hough, or Lisa Hartigan, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, at (202) 418-0660.

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(1997) (recon. pending); and Amendment of Part 90 of the Commission's Rules to Facilitate Future Development of SMR Systems in the 800 MHz Frequency Band, PR Docket No. 93-144, *Memorandum Opinion and Order*, FCC 97-224, 62 Fed. Reg. 41225 (rel. July 10, 1997).

⁵ *Id.*

⁶ See Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, IB Docket No. 97-142, Market Entry and Regulation of Foreign-Affiliated Entities, IB Docket No. 95-22, *Report and Order and Order on Reconsideration*, FCC 97-398 (adopted November 25, 1997).

⁷ See Section 3002(a), Balanced Budget Act of 1997, P.L. 105-33, 111 Stat. 251 (1997); 47 U.S.C. § 309(j)(4)(F). The Commission's authority to establish a reserve price or minimum opening bid is set forth in 47 C.F.R. § 1.2104(c) and (d).

⁸ See *Public Notice*, "Comment Sought on Reserve Prices or Minimum Opening Bids for LMDS Auction," DA 97-2224, 62 Fed. Reg. 55642, (rel. October 17, 1997); and *Public Notice*, "Opportunity for Reply Comment on Reserve Prices or Minimum Opening Bids for LMDS Auction Extended," DA 97-2420 (rel. November 18, 1997).